

BEFORE THE STATE AUDITOR;
EX-OFFICIO COMMISSIONER OF SECURITIES AND INSURANCE
HELENA, MONTANA

IN THE MATTER OF:)	Case No.: I 08-18-06-236
)	
PATRICK PHILLIP DAVISON, individually and in)	CONSENT AGREEMENT
his capacity as agent/owner of DAVISON, LLC, and)	
P & N VENTURES d/b/a PPV, all of Billings,)	
Montana.)	
)	
Respondent.)	

Consent Agreement dated this 21st day of March 2007, between the Montana Securities Department ("Department"), acting pursuant to the authority of Securities Act of Montana, § 30-10-101 et seq. MCA, and § 2-4-603 Montana Code Annotated; and Respondent Patrick Phillip Davison (Davison), acting individually and on behalf of his companies, Davison, LLC and P & N Ventures d/b/a/ PPV.

RECITALS

WHEREAS, the Department issued a Notice of Proposed Agency Action on or about August 26, 2006, alleging violations of the Securities Act by Davison with respect to certain alleged fraudulent securities transactions, and the Department filed a subsequent Amended Notice of Proposed Agency Action (collectively referred to herein as "Actions") alleging additional violations of the Securities Act by Davison with respect to acts he conducted for the purpose of perpetrating a Ponzi scheme on or about September 14, 2006;

WHEREAS, the Department and Davison have investigated the matters pursuant to customer complaints lodged with the Department and Davison; and

WHEREAS, the Department and Davison have agreed that the best interests of the public would be served by dismissing the Actions with respect to Davison and entering into the agreements and undertakings specified herein.

NOW THEREFORE, in consideration of the mutual undertakings herein contained the Department and Davison hereby agree to resolve their differences and settle these matters pursuant to the following terms and conditions:

I. SUMMARY OF ALLEGATIONS

A. The Actions include allegations that Davison, in violation of MCA § 30-10-301(1), (b) and (c), committed securities fraud against at least nine Montana consumers, and that Davison, in violation of MCA § 30-10-201 (13) acted in an unethical and dishonest manner with regard to some accounts held at UBS Financial Services while Davison was employed by UBS Financial Services or its predecessor, and that Davison, in violation of MCA §. 30-10-325 (2), promoted and conducted an illegal Ponzi scheme using money Davison obtained from Montana consumers.

II. STIPULATIONS AND CONSENTS

A. Davison stipulates and consents as follows:

1. To pay an administrative fine of \$250,000 pursuant to MCA. § 30-10-305(3). The Department will grant a credit against the fine in any monies Davison pays in the form of restitution ordered by Montana's federal district court in Cause No. CR-06-141-BLG-RFC. Further, there will be no interest accrued to this fine amount.

2. To pay the fine amount over a period of ten (10) years, in equal installments. This term shall be tolled during the period Davison is incarcerated resulting from the aforementioned federal case.

3. To comply with the terms and conditions of this Consent Agreement and with the securities laws and regulations of Montana.

4. To accept a permanent ban against any future attempt to apply for securities licensing or registration in Montana.

5. The Statute of Limitation is tolled for ten (10) years from the date of consummation of this Consent Agreement with regard to the allegations set forth above. In the event Davison violates the terms of this consent agreement at any time during the ten year tolling period the State Auditor's Office reserves the right to seek an additional fine in the amount of \$75,000.

B. Pursuant to the stipulations, agreements and consents of Davison, the Department, under the authority of the Montana Securities Act, and § 2-4-603, Montana Code Annotated, hereby agrees that:

1. The Department has determined and shall execute contemporaneous with the Consent Agreement such documents and take such actions as are required to dismiss the Actions with prejudice with respect to Davison.

C. All parties to this Consent Agreement agree and acknowledge:

1. This Consent Agreement constitutes the entire agreement between the parties, there being no other promises or agreements, either express or implied. Under authority of the Act, the Department hereby agrees that it will not initiate any civil or administrative actions against Davison regarding or related to the allegations contained in the Actions. Respondent

fully and forever releases and discharges the Office of the State Auditor, the elected State Auditor and all State Auditor employees from any and all actions, claims, causes of action, demands, or expenses for damages or injuries that may arise from the allegations underlying this Consent Agreement, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Actions.

2. Upon execution and acknowledgement of the consent agreement the State Auditor will file with the hearing examiner a Motion and Stipulation for Dismissal of the Actions, with prejudice, with respect to all named Respondents.

DATED this 21st day of March, 2007.

MONTANA SECURITIES DEPARTMENT

By: Lynne Egan
Lynne Egan
Deputy Securities Commissioner

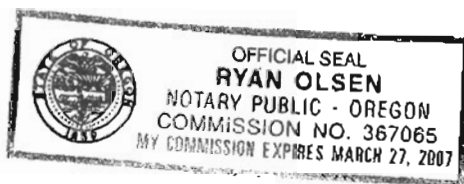
SUBSCRIBED AND SWORN to before me this 21st day of
March, 2007.

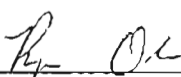
Michelle Marie Hunter
Notary Public for the State of Montana
Residing at Helena, Montana
My commission expires: March 29 2008

DATED this 19 day of March, 2007.


Patrick Davison

SUBSCRIBED AND SWORN to before me this 19th day of
March, 2007.




Notary Public for the State of Oregon
Residing at Medford, Oregon
My commission expires: 3-27-07.